



This Program is funded by the State of California and administered by CalOSBA.

ARTS & CULTURAL PROGRAM NONPROFIT CULTURAL INSTITUTIONS

ROUND 4 PROGRAM OVERVIEW AND APPLICATION GUIDE



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PROGRAM OVERVIEW

- Governor Newsom signed into law a comprehensive package providing urgent relief for the small businesses of CA. The package provides \$2 billion for grants up to \$25,000 for small businesses impacted by the pandemic. **Part of the package will be allocated to a new program solely for certain eligible nonprofit cultural institutions (“Nonprofit Arts & Cultural Program”), which will be a separate application process.**
- Anticipate issuing grants in the rounds of distribution:
 1. Round 4 (Nonprofit Arts & Cultural): \$47,875,000
- The following are the tentative dates (subject to change):
 1. Round 4: March 16th-23rd, 2021
- The program is **not** on a “first come, first served” basis.
- The application portal for each round will open for applicants for a designated period of time determined by Lendistry.
- Partners will conduct outreach and marketing to ensure small, vulnerable and disadvantaged nonprofit cultural institutions have access to the grant application platform.
- Partners will provide technical assistance to nonprofit cultural institutions (to include translation/interpretation services) during application preparation and online submission.
- Once applications are received, Lendistry will process for eligibility. Once rounds close, grant awards will be distributed based on the program priority factors.
- Grants to eligible nonprofit cultural institutions will be prioritized on documented percentage revenue declines based on a reporting period comparing Q2 and Q3 of 2020 versus Q2 and Q3 of 2019.
- If demand for grants from nonprofit cultural institutions meeting the prioritization criteria exceeds available funding, priority factors will be assessed.
- Applications received in each round will be processed in two (2) stages:
 - Stage 1: Applicants upload selected financial documents, identification documents and a business certification regarding accuracy and truthfulness of information submitted.
 - Stage 2: Applicants that are approved for funding will be requested to provide additional documentation for grant disbursement.
- Lendistry will distribute grants on behalf of the State of California to approved eligible nonprofit cultural institutions.
- Lendistry will arrange to deliver applicable tax forms to grantees.
- **Nonprofit cultural institutions for the Nonprofit Arts & Cultural Program will be required to complete a new application even if they already applied for the COVID-19 Relief Grant Program; provided that grants will not be awarded to any eligible nonprofit cultural institution if such entity has otherwise been awarded a grant.**

GRANTEE ELIGIBILITY

Eligible nonprofit cultural institutions must have a physical address and operate in California.

An nonprofit cultural institution must satisfy the following criteria to be eligible to receive a grant award:

- Must meet the definition of “eligible nonprofit cultural institution” (see Definitions and Additional Information)
- Active nonprofits operating since at least June 1, 2019
 - Must currently be operating or have a clear plan to re-open once the State of California permits re-opening of the organization
- Nonprofit must be impacted by COVID-19 and the health and safety restrictions such as business interruptions or business closures incurred as a result of the COVID-19 pandemic
- Nonprofit must be able to provide organizing documents including 2019 tax returns or Form 990s, copy of official filing with the California Secretary of State, if applicable, or local municipality for the business such as one of the following: Articles of Incorporation, Certificate of Organization, Fictitious Name of Registration or Government-Issued Business License
- Applicant must be able to provide acceptable form of government-issued photo ID

- Applicants with multiple business entities, franchises, locations, etc. are not eligible for multiple grants and are only allowed to apply once using their eligible business with the highest revenue.
- **The Nonprofit Arts & Cultural Program will only support California “eligible nonprofit cultural institutions” (see Definitions and Additional Information)**

DEFINITIONS AND ADDITIONAL INFORMATION

- “**eligible nonprofit cultural institution**” means a registered 501(c)(3) nonprofit entity that satisfies the criteria for a **qualified small business** (see following slide for definition) but with no limitation on annual gross revenue, and that is in one of the following North American Industry Classification System codes:
 - 453920 - Art Dealers
 - 711110 - Theater Companies and Dinner Theaters
 - 711120 - Dance Companies
 - 711130 - Musical Groups and Artists
 - 711190 - Other Performing Arts Companies
 - 711310 - Promoters of Performing Arts, Sports, and Similar Events with Facilities
 - 711320 - Promoters of Performing Arts, Sports, and Similar Events without Facilities
 - 711410 - Agents and Managers for Artists, Athletes, Entertainers, and Other Public Figures
 - 711510 - Independent Artists, Writers, and Performers
 - 712110 – Museums
 - 712130 - Zoos and Botanical Gardens
 - 712190 - Nature Parks & Other Similar Institutions
- Revenue determined based on IRS tax form definition of “Gross Sales” (less any returns and allowances) as reported on Line 12 on Form 990. Schedule E is not eligible.
- Applicants will be required to certify eligibility, including that the grant will be used for the specific applicant with the highest revenue

DEFINITIONS AND ADDITIONAL INFORMATION

- ***“qualified small business”*** means a business or nonprofit that meets all of the following criteria, as confirmed through review of revenue declines, other relief funds received, credit history, tax returns, and bank account validation:
 - Is one of the following: (i) a sole proprietor, independent contractor, 1099 employee, C-corporation, S-corporation, cooperative, limited liability company, partnership, or limited partnership, with an annual gross revenue of at least \$1,000 and no greater than \$2,500,000 in the 2019 taxable year OR (ii) a registered 501(c)(3), 501(c)(6) or 501(c)(19) nonprofit entity that had annual gross revenue of at least \$1,000 in the 2019 taxable year
 - Began operating prior to June 1, 2019
 - Is currently active and operating, or has a clear plan to reopen when the state permits reopening of the business
 - Has been impacted by COVID-19 and the related health and safety restrictions, such as business interruptions or business closures incurred as a result of the COVID-19 pandemic
 - Provides organizing documents, including a 2019 tax return or Form 990, and a copy of official filing with the Secretary of State or local municipality, as applicable, including, but not limited to, Articles of Incorporation, Certificate of Organization, Fictitious Name of Registration, or Government-Issued Business License
 - Provides an acceptable form of government-issued photo ID
 - Is the entity, location or franchise with the highest revenue in a group
- Revenue determined based on IRS tax form definition of “Gross Sales” (less any returns and allowances) as reported on Line 1.c. on both the 1120 (corporate return) or 1120S (S-Corp return); Line 3 on IRS Schedule C for single member LLCs and sole proprietorships; Line 1.c on Form 1065, for partnerships; Line 1.c and Line 2 on Schedule F for farming businesses; and Line 12 on Form 990 for non-profits. Schedule E is not eligible.
- Applicants will be required to certify eligibility, including that the grant will be used for the specific applicant with the highest revenue
- Non-US owners are subject to ITIN verification through IRS Form CP565

INELIGIBLE BUSINESSES

- Businesses without a physical location in California
- Nonprofit businesses not registered as a 501(c)(3)
- Government entities (other than Native American tribes) or elected official offices
- Businesses or organizations primarily engaged in political or lobbying activities (regardless of whether such entities qualify as a 501(c)(3), 501(c)(6) or 501(c)(19))
- Passive businesses, investment companies and investors who file a Schedule E on their personal tax returns
- Churches and other religious institutions (regardless of whether such entities qualify as a 501(c)(3)), other than a school, child care, or other educational business affiliated where (i) greater than 50% of the gross annual revenue is derived from the school, child care facility or educational business and (ii) the grant will be used only for eligible costs and expenses directly related to the school, child care, or other educational business, and no portion of the grant will be used for any normal profit or overhead of the church or other religious institution
- Financial businesses or organizations primarily engaged in the business of lending, such as banks, finance companies and factoring companies
- Businesses or organizations engaged in any activity that is illegal under federal, state or local law
- Businesses or organizations of a prurient sexual nature, including businesses or organizations which present live performances of a prurient sexual nature and businesses or organizations which derive directly or indirectly more than de minimis gross revenue through the sale of products or services, or the presentation of any depictions or displays, of a prurient sexual nature
- Businesses or organizations engaged in any socially undesirable activity or activity that may be considered predatory in nature such as rent-to-own businesses and check cashing businesses
- Businesses or organizations that restrict patronage for any reason other than capacity
- Speculative businesses or organizations
- “Affiliated” companies (as such term is defined in 13 C.F.R. § 121.103)
- Multiple business entities, franchises, locations, etc. are not eligible for multiple grants and are only allowed to apply once using their eligible business with the highest revenue

INELIGIBLE BUSINESSES

- Businesses or organizations of which any officer or board member (i) has within the prior three-years been convicted of or had a civil judgment rendered against such officer or board member, or has had commenced any form of parole or probation (including probation before judgment), for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; violation of federal or state anti-trust or procurement statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property, or (ii) is presently indicted for or otherwise criminally or civilly charged by a government entity, (federal, state or local) with commission of any of the offenses enumerated in subparagraph (i) above

USES OF FUNDS

ELIGIBLE USE OF FUNDS

Only those costs incurred due to the COVID-19 pandemic and the health and safety restrictions such as business interruptions or business closures incurred as a result of the COVID-19 pandemic. The following are the eligible uses of grant funds:

- All employee expenses including payroll costs, health care benefits, paid sick, medical, or family leave, and insurance premiums
- Working capital and overhead, including rent, utilities, mortgage principal and interest payments (excluding mortgage prepayments), and debt obligations (including principal and interest) incurred before March 1, 2020 (i.e., in order to be an eligible debt obligation, the loan agreement, promissory note, etc., as applicable, must have been entered into before March 1, 2020)
- Costs associated with re-opening business operations after being fully or partially closed due to state-mandated COVID-19 health and safety restrictions and business closures
- Costs associated with complying with COVID-19 federal, state or local guidelines for reopening with required safety protocols, including but not limited to equipment, plexiglass barriers, outdoor dining, PPE supplies, testing, and employee training expenses

ELIGIBLE USE OF FUNDS (CONTINUED)

- Any other COVID-19 related expenses not already covered (for the same period) through grants, forgivable loans or other relief through federal, state, county or city programs
- Any other COVID-19 related costs that are not one of the ineligible uses of funds

INELIGIBLE USES OF FUNDS

- Human resource expenses for the State share of Medicaid;
- Employee bonuses or severance pay;
- Taxes;
- Legal settlements;
- Personal expenses or other expenses unrelated to COVID-19 impacts;
- Expenses for repairs from damages already covered by insurance
- Reimbursement to donors for donated items or services.

HOW APPLICANTS WILL BE DETERMINED

Lendistry will analyze for selection all applications entered into the portal. Lendistry will consult with the California Office of the Small Business Advocate (CalOSBA or the “office”) and design the program selection for prioritization of impacted nonprofit cultural institutions.

- Eligible nonprofit cultural institutions must be registered 501(c)(3) nonprofit entities that satisfy criteria for a qualified small business (but with no limitation on annual gross revenue, and that is in one of the following North American Industry Classification System codes:
 - 453920 - Art Dealers
 - 711110 - Theater Companies and Dinner Theaters
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 - 712120 - Historical Sites.
 - 712130 - Zoos and Botanical Gardens
 - 712190 - Nature Parks & Other Similar Institutions

- Grants to eligible nonprofit cultural institutions will be prioritized based on documented percentage revenue declines based on a reporting period comparing Q2 and Q3 of 2020 versus Q2 and Q3 of 2019

GRANT FUNDING STRUCTURE

ELIGIBLE BUSINESS GROSS REVENUE (2019 taxable year)	GRANT AWARD AVAILABLE PER ORGANIZATION
Annual gross revenue \$1,000 to \$100,000	\$5,000 grant
Annual gross revenue greater than \$100,000 up to \$1,000,000	\$15,000 grant
Annual gross revenue greater than \$1,000,000	\$25,000 grant

REQUIRED DOCUMENTATION

STAGE 1

Application Requirements

Organizations will need to:

1. Complete a grant application (made available through an online portal by Lendistry);
 - **NOTE: You must submit a separate application for the Nonprofit Arts and Cultural Program even if you previously submitted an application for a previous round of grant funding**
2. Upload selected financial and organizational documents; and
3. Self-certify the accuracy of information by signing an Application Certification.

The following information is required from all applicants in Stage 1:

1. A copy of the signed Application Certification.
2. All pages of most recent tax return filed (2019) – provided in an electronic form for online upload, such as PDF/JPEG or other approved upload format.
3. An acceptable form of government-issued photo ID, provided in an electronic form for online upload, such as PDF/JPEG or other approved upload format.
4. Acceptable evidence of minimum gross annual revenue of no less than \$1,000 per year.

STAGE 2

Additional Requirements for Organizations Determined to be Eligible

Once selected for funding, applicants will be required to provide additional documentation as set forth below and re-certify to the accuracy of information provided.

The following information is required from all applicants in Stage 2:

1. Copy of official filing with the California Secretary of State (which must be active), if applicable or local municipality for your business such as one of the following, which must be provided in electronic format for upload, such as PDF/JPEG or other approved upload format:
 - Articles of Incorporation
 - Certificate of Organization
 - Fictitious Name of Registration
 - Government-issued Business License (sole proprietors without fictitious name)
2. For eligible nonprofit entity applicants, a copy of the entity's most recent IRS tax exemption letter.
3. Verification of bank account via electronic registration or other approved review process.



APPLICATION CERTIFICATION

COMING SOON



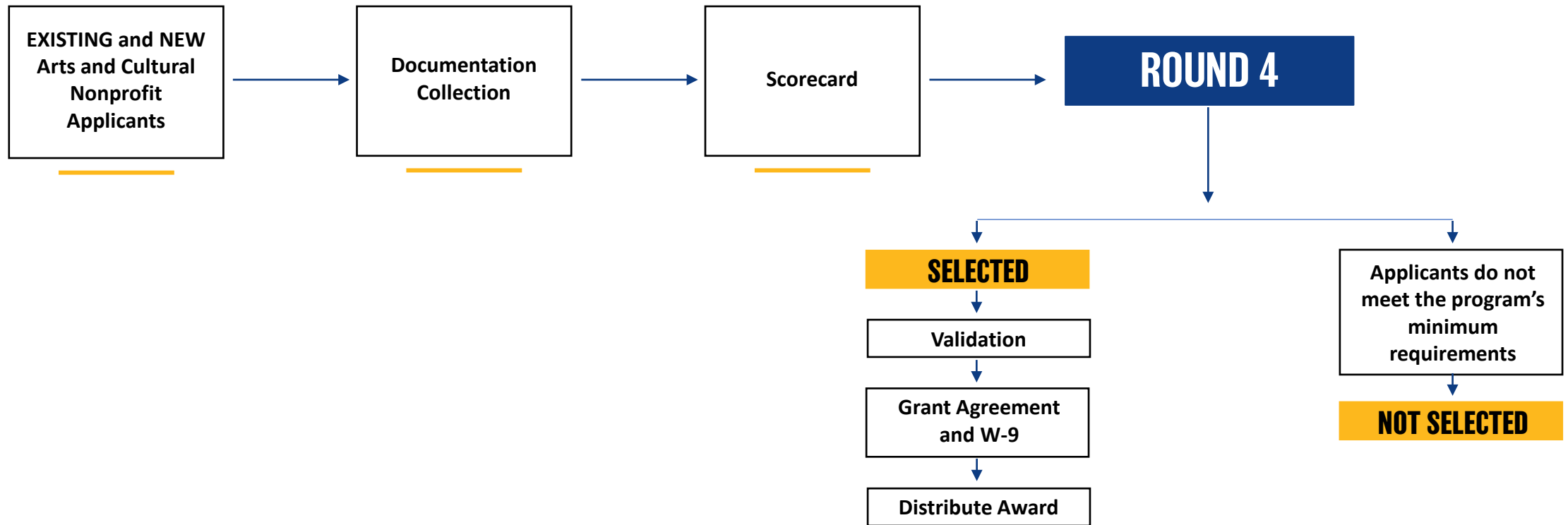
OPPORTUNITIES TO BE SELECTED

OPPORTUNITIES TO BE SELECTED

	SMALL BUSINESSES	ARTS & CULTURAL NONPROFITS	ALL NONPROFITS
EXISTING APPLICANTS (Eligible and/or Waitlisted Only)	Round 3 (Waitlisted from Rounds 1 and 2) Round 5 Round 6	Round 3 (Waitlisted from Rounds 1 and 2) Round 4 (Arts & Cultural) Round 5 Round 6	Round 3 (Waitlisted from Rounds 1 and 2) Round 5 Round 6
NEW APPLICANTS	Round 5 Round 6	Round 4 (Arts & Cultural) Round 5 Round 6	Round 5 Round 6

Based on eligibility and business type, there are multiple opportunities to be selected for grant funding. If an eligible applicant is waitlisted in one distribution round, they will automatically be rolled over into the next application opportunity. For example, if you are an eligible nonprofit cultural institution but was not selected in Round 4 (Arts & Cultural Program), you will be allowed to submit a new application in Round 5. If you are then waitlisted in Round 5, you will automatically be rolled over into Round 6 for consideration.

ROUND 4 (ARTS & CULTURAL PROGRAM)





TIPS FOR APPLYING

WHAT TO DO BEFORE APPLYING

1

REVIEW THE PROGRAM AND APPLICATION GUIDE.

The Program and Application Guide details the entire application process, step-by-step, and provides tips on how to improve your application experience. It also includes screenshots of the application and Portal to help you familiarize yourself with the process.

2

WATCH VIDEOS ON THE APPLICATION PROCESS.

To help you with the application process, we have prepared short videos that walk you through each step. To watch these videos, click [here](#). We will continuously update this page with more videos in multiple languages.

3

PREPARE REQUIRED DOCUMENTS.

Review the “Program Overview” in the application guide for a list of required documents for the grant. The guide also provides tips and resources to help you properly scan your documents for upload.

4

FIND AND APPLY THROUGH A PARTNER.

To apply for a grant, you will need to do so through a partner. You can find a partner by language or by county at www.CAReliefGrant.com. Please apply once and through one partner only.

TIP #1 - USE GOOGLE CHROME.

Throughout the entire application process, please use Google Chrome only.

Using other web browsers, such as Internet Explorer, Firefox, Safari, and Bing, may disrupt your application process.

[Click Here to Download Google Chrome](#)

TIP #2 - USE A VALID EMAIL ADDRESS.

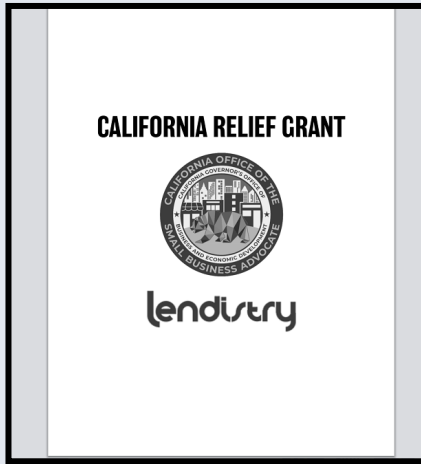
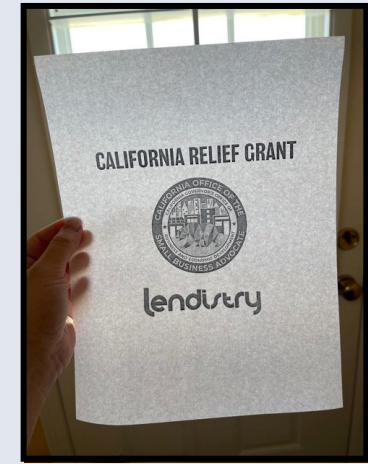
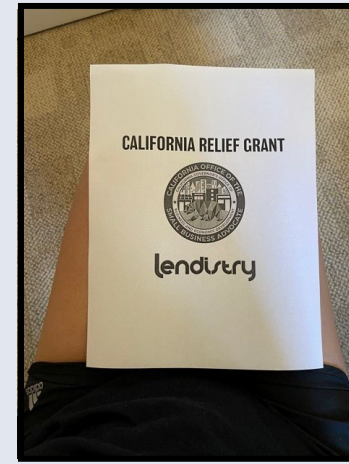
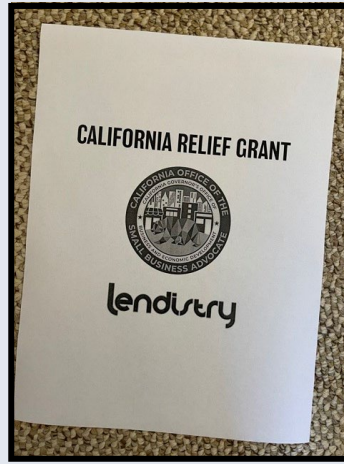
Please make sure you are using a valid email address when applying. You will receive updates and additional instructions at the email address you provide.

IMPORTANT NOTE - The following email addresses will not be accepted and recognized in our system:

1. Emails beginning with **info@**
Example: info@mycompany.com
2. Emails ending with **@contact.com** or **@noreply.com**
Example: example@contact.com
Example: example@noreply.com

TIP #3 - SUBMIT DOCUMENTS IN PROPER FORM.

All documentation must be provided in an electronic form for online upload, such as PDF/JPEG or other approved upload format. The electronic form must be clear, aligned straight, and contain no disruptive backgrounds.

CORRECT**INCORRECT**

If you do not have a scanner, we recommend using the following free mobile apps:

Genius Scan

Apple | [Click Here to Download](#)

Android | [Click Here to Download](#)

Adobe Scan

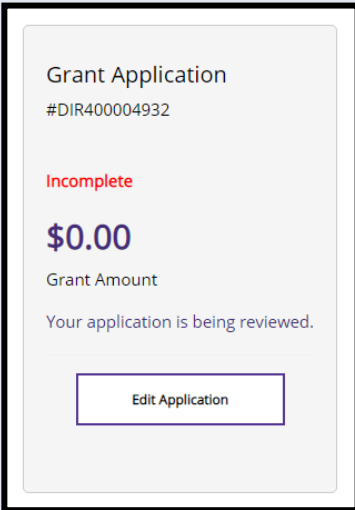
Apple | [Click Here to Download](#)

Android | [Click Here to Download](#)

TIP #4 – MAKE SURE YOUR APPLICATION IS COMPLETE.

You must submit a completed application in order to move to the next stage and upload documents.

HOW TO CHECK IF YOUR APPLICATION HAS BEEN COMPLETED



Grant Application
#DIR400004932

Incomplete

\$0.00

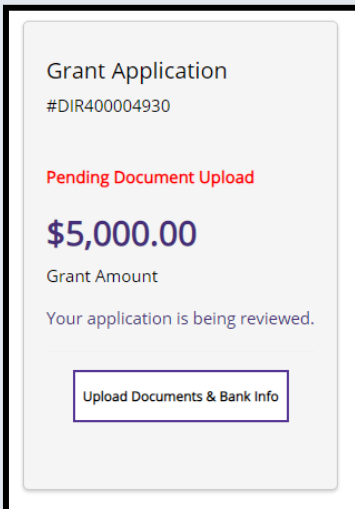
Grant Amount

Your application is being reviewed.

Edit Application

INCOMPLETE

If your application is unfinished, your status will say “**INCOMPLETE**”. you will need to click “**Edit Application**” to complete it before you can upload documents.



Grant Application
#DIR400004930

Pending Document Upload

\$5,000.00

Grant Amount

Your application is being reviewed.

Upload Documents & Bank Info

PENDING DOCUMENT UPLOAD

If your application has been completed, your status will say “**PENDING DOCUMENT UPLOAD**”. Click “**Upload Documents & Bank Info**” to upload required documents.

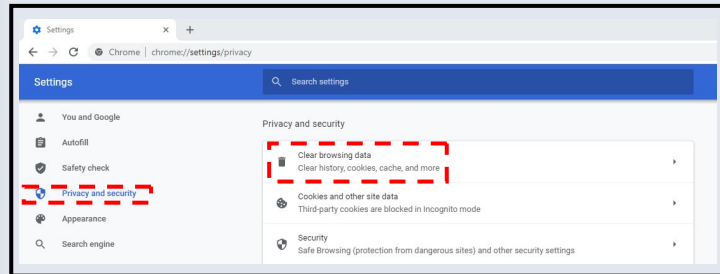
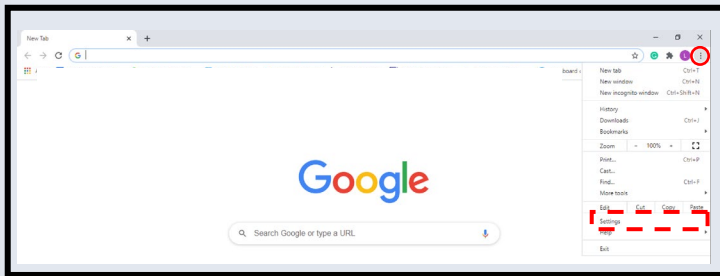
IMPORTANT NOTE: The status will remain “Pending Document Upload” after you have completed this step.

TIP #5 - CLEAR YOUR CACHE.

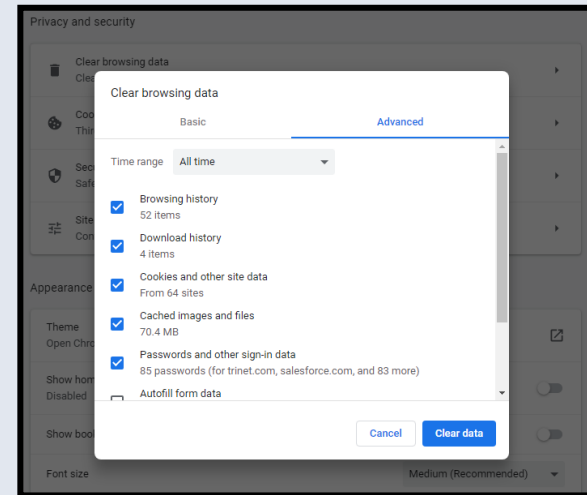
Your browser contains cookies, which may remember data that was previously used to complete the application and old passwords. This may cause errors such as “User not found” or “Incorrect Password” when logging into the Portal.

Clear your cache to delete old data from your web browser.

HOW TO CLEAR YOUR CACHE



1. Go to your web browser settings by click the three dots in the upper right corner, and then go to settings.
2. Go to “Privacy and Security”, and then select “Clear Browsing Data”.



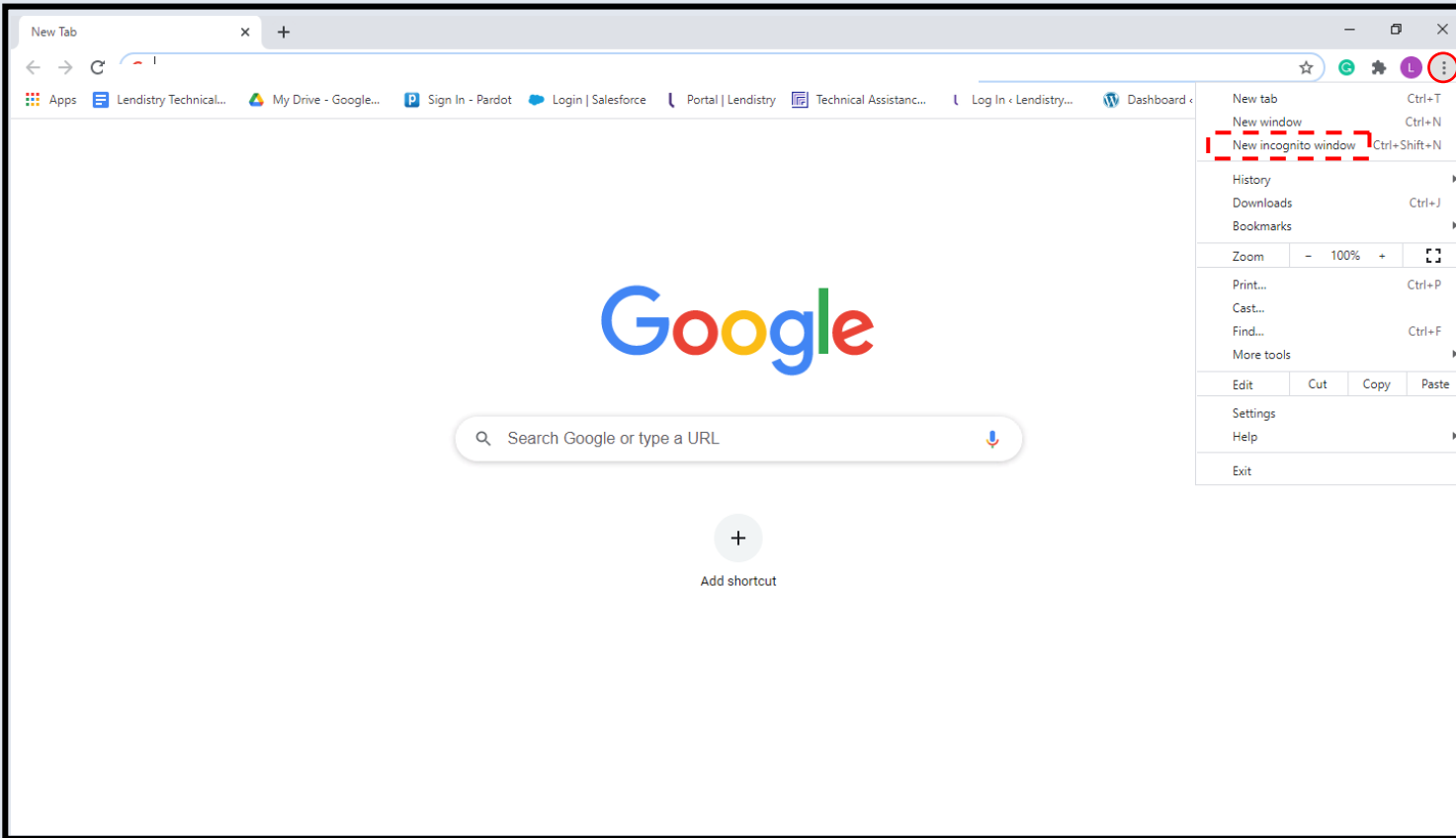
3. Select “Clear Data”.

TIP #6 - USE INCOGNITO MODE.

To prevent your web browser from remembering old data, use Incognito or Private Mode

HOW TO SET YOUR BROWER TO INCOGNITO MODE

Click the three dots in the upper right corner of your web browser, and then select “New incognito mode”. Your browser will open a new window.





THE APPLICATION PROCESS: COMING SOON



BEING SELECTED FOR THE GRANT

WHAT TO DO AFTER BEING SELECTED

Eligible applicants that are selected for pre-approval will be notified via email. After being selected, there are additional verification steps that must be completed before an applicant is approved for funding.

After being selected, applicants should do the following:

1. Sign into the Portal and upload all required documents.
2. Link your bank information. This step is necessary to validate your bank statements, prevent fraud, and set up a direct deposit for funding.

Once fully validated and approved for grant funding, you will be sent a grantee agreement via DocuSign. Funding will not be released unless and until the grantee agreement is fully executed.

Once we have received a fully executed grantee agreement, please allow up to 5 business days for funding to be received.

If there are any issues with your documentation or bank verification, a member of the Lendistry Validation Department will contact you via phone, email, and/or text. Please allow up to 7 business days for us to reach out to you to assist you with clearance.